Remarks/Arguments:

Claims 1-3, 11, 16, 17, 19 and 20 have been amended. No new matter is introduced herein. Claims 4 and 5 have been cancelled. Claims 1-3, 6, 7 and 11-21 are pending.

Applicants appreciate the courtesy extended to their representatives by Examiner Archer and Supervisor Barron Jr. during the telephone interview on August 12, 2009. During the course of the interview, Applicants' representatives explained differences between Rhoads et al. (U.S. 6,442,285) and Applicants' proposed amended claims 1 and 11. Namely, that Rhoads et al. do not teach detecting a value of only a predetermined certain bit indicative of one type of copy control, without recognizing all types of copy control. No agreement was reached. In addition, Applicants' representatives also requested that the Examiner clarify where the features of independent claim 15 are disclosed in Rhoads et al. The Examiner agreed that Rhoads et al. do not include all of the features of claim 15.

Claim 1 has been amended to clarify that the electronic water mark detection section detects only a predetermined certain bit of digital data indicative of one type of copy control, without recognizing all types of copy control. In addition, claim 1 has been amended to clarify that the copy control information includes: i) information indicative of "no_more_copy", ii) information indicative of an allowable copy corresponding to a first condition and iii) information indicative of an allowable copy corresponding to a second condition. Claim 1 also recites that the copy control information enables determination that the content is "no_more_copy" by using only a predetermined certain bit of digital data. In addition, claim 1 recites that the recording section (i) does not record the content when the detection result indicates that the content is "no_more_copy" and (ii) records the content without determining that the copy control information is the information indicative of the first condition or the second condition, by further analyzing the copy control information when the detection result indicates that the content is the allowable copy. Claims 16 and 19 have been amended similar to claim 1. No new matter is introduced herein. Support for the amendment can be found, for example, at page 40, line 7 - page 43, line 12, of the subject specification. Claims 2 and 3 have been amended to correspond with claim 1. Claims 4 and 5 have been cancelled.

In addition, claim 11 has been amended to clarify that when SDMI-unprotected content is to be played back, the electronic watermark detection section detects a value of only a predetermined copy control information portion indicative of one type of copy control, without

recognizing all of the types of copy control. No new matter is introduced herein. Claims 17 and 20 have been amended similar to claim 11. Support for the amendment can be found, for example, at page 44, line 10 - page 47, line 16, of the subject specification.

Claims 1, 2, 4, 6, 7, 15, 16, 18, 19 and 21 have been rejected under 35 U.S.C. §102(e) as being anticipated by Rhoads et al. (U.S. 6,442,285). Claim 4 has been cancelled. It is respectfully submitted, however, that the remaining claims are patentable over the cited art for the reasons set forth below.

Claim 1, as amended, includes features neither disclosed nor suggested by the cited art, namely:

> ... said copy control information includes: i) information indicative of "no more copy," ii) information indicative of an allowable copy corresponding to a first condition, and iii) information indicative of an allowable copy corresponding to a second condition,
>
> said copy control information enables determination that said content is "no_more_copy" from said information indicative of "no_more_copy" or said information indicative of said first condition or second condition, by using only said predetermined certain bit of digital data ...
>
> said recording section (i) does not record said content when said detection result indicates that said content is said "no_more_copy" and (ii) records said content without determining that said copy control information is said information indicative of said first condition or is said information indicative of said second condition, by further analyzing said copy control information when said detection result indicates that said content is said allowable copy. (Emphasis Added)

Claim 16 includes a similar recitation.

Rhoads et al. disclose, in Figs. 1 and 2, a music distribution process for physically and electronically distributing an artist's music (Col. 3, lines 30-61). Music appliances can respond restrictively to embedded watermark data to set limits on use of music, including user restrictions such as "do not copy," "copy once only" and "unrestricted copying permitted." (Col. 13, lines 27-34 and Col. 13, lines 46-52). To detect watermark data, the "device simply examines one or more bits in the watermark data, and permits (or refuses) an operation based on the value thereof." (Col. 13, lines 53-58).

Rhoads et al. also disclose that a watermark "dial-tone" signal which conveys limited information, such as a single bit of information, can be included. The presence of the "dial-tone" signal can serve as a "do not record" signal and/or to be used to lock on to a plural-bit digital watermark signal. (Column 6, lines 6-18). At Column 13, lines 53-58, Rhoads et al. teach examining one or more bits in watermark data for usage limits of zero ("do not copy") and infinity ("unrestricted copying permitted" and "unrestricted playing permitted"), to permit or refuse an operation. At Column 14, lines 37-52, Rhoads et al. teach recording of content by checking for a blank "copy never" bit and ignoring the value of any "copy once" bit. Based on the "copy never" bit, the recording device refuses to make a copy or copies the music and alters the "copy never" bit.

Rhoads et al., however, do not teach that a recording section (step) i) does not record the content when the detection result indicates that the content is "no_more_copy" and (ii) records the content without determining that the copy control information is the information indicative of the first or second conditions, by further analyzing the copy control information when the detection result indicates that the content is the allowable copy, as required by claims 1 and 16 (emphasis added). Rhoads et al. are silent regarding these indicated features. Rhoads et al. only teach examining "one or more bits" in the watermark data, such as "do not copy," "unrestricted copying permitted," or a "copy never" in the watermark data to permit or refuse an operation. Thus, Rhoads et al. do not include all of the features of claims 1 or 16. Accordingly, allowance of claims 1 and 16 is respectfully requested.

Claims 2, 6, 7 and 19 include all of the features of claim 1 from which they depend. Accordingly, these claims are also patentable over the cited art.

With respect to claims 15 and 18, this ground for rejection is respectfully traversed.

Claim 15 includes features neither disclosed nor suggested by the cited art, namely:

> ... for recording of said content, said electronic watermark detection section detects only a predetermined copy control information portion of said copy control information out of said content over which the electronic watermark expressing said copy control information is superimposed, and ...
>
> ... for playback of said content, said electronic watermark detection section detects all of said copy control information out of said content over which the electronic watermark expressing

> said copy control information is superimposed. (Emphasis Added).

Claim 18 includes a similar recitation.

Rhoads et al. are described above. As acknowledged by the Examiner, Rhoads et al. do not disclose or suggest that: 1) for recording, the electronic watermark detection section (step) detects only a predetermined copy control information portion of the copy control information and 2) for playback, the electronic watermark detection section (step) detects all of the copy control information, as required by claims 15 and 18 (emphasis added). Rhoads et al. are silent regarding these features. Rhoads et al. only teach examining one or more bits in the watermark data to permit or refuse an operation. Thus, Rhoads et al. do not include all of the features of claims 15 or 18. Accordingly, allowance of claims 15 and 18 is respectfully requested.

Claim 21 includes all of the features of claim 15 from which it depends. Accordingly, claim 21 is also patentable over the cited art.

Claims 3 and 5 have been rejected under 35 U.S.C. §103(a) as being unpatentable over Rhoads et al. in view of Maes et al. (U.S. 7,310,819). Claim 5 has been cancelled. Claim 3, however, includes all of the features of claim 1 from which it depends. Maes et al. do not make up for the deficiencies of Rhoads et al. with respect to claim 1. Accordingly, claim 3 is also patentable over the cited art.

Claims 11-14, 17 and 20 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over SDMI Amendment 3 in view of Rhoads et al. It is respectfully submitted, however, that these claims are patentable over the cited art for the reasons set forth below.

Claim 11, as amended, includes features neither disclosed nor suggested by the cited art. Namely:

> ... an electronic watermark detection section which does not detect said copy control information out of an SDMI-protected content ... when said content is to be played back, but when an SDMI-unprotected content, ... , is to be played back, detects a value of only a predetermined copy control information portion of said copy control information indicative of one type of copy control, without recognizing all of the types of copy control ...

> ... a playback section which plays back said content when playback of said SDMI-protected content is desired, and plays back said content in accordance with a detection result obtained by said electronic watermark detection section when playback of said SDMI-unprotected content is desired. (Emphasis added).

Claim 17 includes a similar recitation.

SDMI Amendment 3 teaches that SDMI-protected content shall be admitted into a local SDMI environment. If the content is not SDMI-protected content, the system examines each track of content for an audio watermark. If the system detects the presence of such an audio watermark, then the system "must continue to detect through the track until it collects all relevant watermark data."

SDMI Amendment 3, however, does not disclose or suggest, for SDMI-unprotected content, detecting a value of only a predetermined copy control information portion indicative of one type of copy control, without recognizing all of the types of copy control, as required by claims 11 and 17 (emphasis added). SDMI Amendment 3 is silent regarding these features. Instead, SDMI Amendment 3 teaches that if a system detects the presence of an audio watermark, it must continue to detect throughout the track until it collects all relevant watermark data. Thus, SDMI Amendment 3 does not include all of the features of claims 11 and 17.

Rhoads et al. are described above. At Column 14, lines 37-52, Rhoads et al. teach the recording of content by checking for a blank "copy never" bit and ignoring the value of any "copy once" bit. Based on the "copy never" bit, the recording device refuses to make a copy or copies the music and alters the "copy never" bit.

Rhoads et al., however, do not make up for the deficiencies of SDMI Amendment 3 because they do not teach that for playback of SDMI-unprotected content, detecting a value of only a predetermined copy control information portion indicative of one type of copy control, without recognizing all of the types of copy control, as required by claims 11 and 17 (emphasis added). Rhoads et al. are silent regarding these features. Rhoads et al. only teach the recording of content by checking for a blank "copy never" bit and ignoring the value of any "copy once" bit. Thus, Rhoads et al. do not provide the features missing from SDMI

Amendment 3 with respect to claims 11 and 17. Accordingly, allowance of claims 11 and 17 is respectfully requested.

Claims 12-14 and 20 include all of the features of claim 11 from which they depend. Accordingly, these claims are also patentable over the cited art.

In view of the amendments and arguments set forth above, the above-identified application is in condition for allowance which action is respectfully requested.

Respectfully submitted,

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